UNITED STATES OF AMERICA BEFORE FEDERAL TRADE COMMISSION

MAR 25-1968

In the Matter of PHILIP MORRIS INCORPORATED

FILE NO. 682 3042

ORDER TO FILE SPECIAL REPORT

Pursuant to a resolution of the Federal Trade Commission dated March 22, 1968, and entitled "Resolution Directing An Investigation Into The Acts And Practices Involved In The Manufacture, Advertising, Sale, And Shipment Of Cigarettes And In The Evaluation Of Television And Radio Audience Data", a copy of which is enclosed, you are ordered to file a special report with the Commission within thirty (30) calendar days from the day of receipt of this Order containing the information specified herein.

Your report is required to be subscribed and sworn to by an official of the Corporation who has prepared or supervised the preparation of the report from books, records, correspondence and other data and material in your possession.

Your report should restate each item of this Order with which the corresponding answer is identified. If any question cannot be answered fully, give such information as is available to you and explain wherein and why your answer is incomplete. If the full answer is known by you to be obtainable from another source, identify that source.

- 1. The subscriber to your report is to give his full name and business address and to state his official capacity.
- 2. For each-cigametta manufactured and sold by you in the calendar year 1967 and for the first two months of 1968, report the brand name, type (i.e., non-filter, filter,

menthol, etc.) length of cigarette in millimeters, length of filter in millimeters, and length of overwrap in millimeters.

- 3. Report total cigarette sales by number and dollar volume by year and by month for the calendar year 1967 and for the first two months of 1968. Report the same information for each brand-typesize of cigarette manufactured.
- 4. Report the following information for the calendar year 1967 and for the first two months of 1968:
 - (a) Total dollar expenditures for domestic advertising of cigarettes upon all media including direct promotions;
 - (b) Same information for each brand-type-size of cigarette;
 - (c) Total dollar expenditures for domestic advertising of cigarettes for each of the following media: television, radio, newspaper, magazine, direct promotions and other media:
 - (d) Same information (as 4(c)) for each brand-type-size of cigarette.
- 5. Report the names and addresses of all 'testing laboratories which have at your request conducted tests for "tar" and nicotine content of any of your brands of cigarettes during the past year.
- 6. Furnish copies of reports of all such tests, including in each report the following items:
 - (a) The brand and type of each cigarette tested;

- (b) A detailed description of the testing method or methods employed;
- (c) The butt-length to which each cigarette was smoked;
- (d) Whether the test results are reported on a "wet" or "dry" basis;
- (e) Number of cigarettes smoked in the test procedure;
- (f) The method of collecting the sample and the amount and extent of the sample from which the smoked cigarette were drawn.
- 7. Furnish copies of reports of all tests for "tar" and nicotine content conducted in your own laboratory during the past year. Include in each report the same items as requested in item six above.
- 8. Report any other additional tests, studies, data or information upon which you have relied to support any claims or statements in advertising or on the cigarette package relating to "tar" and nicotine content of a particular cigarette.
- 9. Furnish representative samples of all advertising for each brand and type of cigarette disseminated during the past year.
- 10. Report the names and addresses of all advertising agencies which have participated in the preparation and/or placing for publication of said advertising copy with an explanation of the nature and extent of such participation.

- 11. With respect to all network television programs shown during January 1967 and January 1968 which were sponsored in whole or in part by you for the purpose of advertising your cigarette products, indicate the title, date, time, network and the total number of exposures, the latter broken down to reflect the various age groups, for each time shown.
- 12. With respect to television spot advertising of your cigarette products during January 1967 and January 1968, indicate the total number of exposures, broken down to reflect the various age groups, for all such spots during each of the months in question.

You are advised that penalties may be imposed under applicable provisions of Federal law for failure to file special reports or for filing false reports.

The Special Report called for in this Order is to be filed within thirty (30) calendar days from the day of receipt.

By direction of the Commission.

Joseph W. Shea Secretary.

Date of Order to File Special Report: Thirty days from the day of receipt.

The Report required by this Order, or any inquiry concerning it, should be addressed to the attention of:

/Donald K. Tenney, Attorney, .Division of Special Projects, Eurenu of Deceptive Fractices, Federal Trade Commission, Washington, D.C. 20580